



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5802-C-02]

Mortgagee Review Board: Administrative Actions; Correction

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Notice, Correction.

SUMMARY: On July 16, 2014, HUD published a notice to advise the public of the administrative actions taken by HUD's Mortgagee Review Board (Board) against FHA-approved mortgagees during the period from October 1, 2012, to September 19, 2013, and the reasons for these actions. The notice is published as required by Section 202(c)(5) of the National Housing Act. As part of the notice, HUD included a list of lenders that had failed to meet the requirements for annual recertification and whose FHA approvals had been withdrawn. HUD has determined, however, that it erroneously listed two lenders as withdrawn when, in fact, each of the two lenders had appealed the Board's notice of withdrawal prior to the date upon which a withdrawal would take effect and resolved the matter. One of the lenders demonstrated that it had been in compliance prior to HUD's issuance of the Notice of Violation. The other lender resolved the annual recertification issues and paid a civil money penalty. HUD is publishing today's notice, therefore, to correct its July 16, 2014, notice.

FOR FURTHER INFORMATION CONTACT: Nancy A. Murray, Secretary to the Mortgagee Review Board, 451 Seventh Street SW, Room B-133/3150, Washington, DC, 20410-8000; telephone (202) 708-2224 (this is not a toll-free number). Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Information

Service at (800) 877-8339.

SUPPLEMENTARY INFORMATION:

I. Background

Section 202(c)(5) of the National Housing Act (12 U.S.C. 1708(c)(5)) requires that HUD “publish in the Federal Register a description of and the cause for administrative action against a (HUD-approved) mortgagee.” Pursuant to this requirement, HUD published on July 16, 2014, at 78 FR 41586, a notice advising the public of actions taken by the Board from October 1, 2012, to September 19, 2013. As part of its July 16, 2014, notice, HUD included a list, beginning at page 41589, of lenders that had failed to meet the requirements for annual recertification and whose FHA approvals had been withdrawn. HUD has determined, however, that it erroneously included two lenders whose FHA approvals have not been withdrawn. One lender, Acceptance Capital Mortgage Corporation, of Spokane, Washington, appealed the Board’s notice of administrative action/proposed withdrawal and settled the matter with HUD by resolving the annual recertification issues and paying a civil money penalty. The other lender, Funding, Incorporated, of Houston, Texas, demonstrated that it had satisfied the annual recertification requirements prior to issuance of the Notice of Violation. As a result, these lenders are in compliance with HUD’s annual recertification requirements and have not had their FHA approvals withdrawn.

II. Correction

Based upon the information above, HUD’s July 16, 2014, notice is corrected by removing Funding Incorporated (at 78 FR 41590) from the list entirely and stating that Funding Incorporated did not violate HUD’s annual recertification requirements and has not had its FHA approval withdrawn, and by stating the following with respect to Acceptance Capital Mortgage

Corporation:

1. Acceptance Capital Mortgage Corp., Spokane, WA [*Docket No. 13-1468-MRT*]

Action: The Board entered into a settlement agreement with Acceptance Capital Mortgage Corp., Spokane, WA, [*Docket No. 13-1468-MRT*] that required the lender to pay a \$7,500 civil money penalty, without admitting fault or liability.

Cause: The Board took this action based upon allegations that Acceptance Capital Mortgage Corp. had failed to comply with the Department's annual recertification requirements.

Dated: July 28, 2014.

Biniam Geber,
General Deputy Assistant Secretary for
Housing-Federal Housing Commissioner.

[FR-5802-C-02]

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